

Rhode Island Economic Development Corporation

Enterprise Zone Council

Minutes of Meeting of October 28, 2008

RIEDC: Narragansett Room

315 Iron Horse Way, Suite 101

Providence, RI 02908

In attendance:

COUNCIL AFFILIATION

R. Caniglia Stand Corp.

D. Varin Vice Chairman

M. Wood League of Cities and Towns

OTHER AFFILIATION

V. Barros RIEDC

M. Godin Needs, Inc.

A. Crisman Mt. Hope Enterprise Zone

K. Cosentino City of Providence

M.Canole Division of Taxation

W. Clark Town of Portsmouth

Kenneth A. MarshallTown of Bristol

David Frerichs Town of Warren

Raymond Cordeiro Town of Bristol

Pam Sherrill Pare Corporation

Vice Chairman Varin called the meeting of the Enterprise Zone Council to order at approximately 10:40 AM and noted that there was a quorum present.

Mr. Varin stated he was moving the agenda around to accommodate the representatives in attendance from the local communities, and noted that the first order of business would be the Mt. Hope Enterprise Zone re-designation request.

Mr. Barros asked Mr. Crisman to provide a summary of the Mt. Hope Re-designation Proposal, a copy of which was included in the Council's agenda packages.

Mr. Crisman gave an detailed overview of the zone re-designation proposal, which he prepared, focusing on business development accomplishments over the past five years and the need for better workforce development facilities and capabilities in the east bay for continued business and job growth.

He also talked about the value of measuring and monitoring the PCI (Per Capita Income) which according to his research hasn't varied much in many of the zone's census tracts and is still below the national average.

Mr. Cordeiro talked about the importance of the zone to Bristol and pledge the town's continued support of the zone.

Mr. Marshall echoed many of Mr. Crisman's comments in support of zone re-designation and talked about the importance of business development to create jobs and provide a stabile tax base. He also talked about how the zone will help support vocational training that the town is undertaking.

Mr. Frerichs talked briefly about some of the projects in the town of Warren that have benefited from the town's zone designation and stated that town council understands and appreciates the value of the designation and will continue to support the program.

Mr. Varin asked for a motion to approve the five year re-designation of the Mt. Hope Enterprise Zone. Mr. Wood made the motion; seconded by Mr. Caniglia. Mr. Varin opened the floor to discussion.

Mr. Caniglia complimented Mr. Crisman on preparing such a detailed and comprehension zone re-designation proposal. He wanted the representatives from the towns to know that Mr. Crisman represents them well and is commitment and actively participates in zone and Council related business.

He continued by asking if under the zone's educational component are Mr. Crisman retooling efforts to including things like job shadowing and job mentoring.

Mr. Crisman mentioned a new organization in the high school called My Turn, which is looking at those type of retooled job matching initiatives. He also talked about a skills gap analysis done for the marine trades industry that was designed to help stimulate a redirection in the high school vocational learning programs.

Mr. Caniglia asked if the town's have looked at the streamlining building permitting process to promote capital investment in the zone, new commercial construction.

Mr. Crisman responded by stating that the town's understand the issue and is looking at ways to improve the permitting process.

Mr. Caniglia stated that he understood that there needs to be a local permitting process, he feels that it should make sense and be consistent, and be compatible with business development.

Mr. Wood stated his support for the re-designation and compliment Mr. Crisman on the quality of his work. He continued by asking if the projected cutback in bus routes would impact continued job growth in the East Bay.

Mr. Crisman stated that many of the employees of EZ business, particularly in the marine trades come from the local community but acknowledged that cuts in public transportation will negatively impact job growth in the area by shrinking the available labor pool.

Mr. Varin mentioned the example of Hall Spars, which was highlighted in the re-designation proposal, where Hall Spar was actively looking for a new site but the town council president was trying to rezone the site for residential use. It was eventually worked out but the town could have lost the business to Fall River who was actively courting the business.

Mr. Varin asked Mr. Crisman he was preparing for the results of the next census information to see if changes to the boundaries of the zone would be needed.

Mr. Crisman stated that he would be actively monitoring and proposing changes or amendments based on those new census numbers/information.

Mr. Varin asked if there was any other discussion. There being none, he asked for a motion to approve the re-designation of the Mt. Enterprise Zone for an additional five (5) years. Mr. Wood made the motion; seconded by Mr. Caniglia. The motion passed unanimously.

Mr. Varin directed the Council attention to a letter from the town of West Warwick, penned by the town manager, Mr. James Thomas. In the letter, the town is asking the Council for an extension on submitting their zone re-designation proposal due to the recent overturn in administration at the town, particularly at the position of

town manager.

Mr. Caniglia and Mr. Wood both expressed deep concern over the situation at the town and suggested that Mr. Thomas come before the Council to talk about the town's committed to managing a competent and successful enterprise zone.

Mr. Varin asked if there was a motion to approve the extension to the November meeting of the Council. Mr. Wood made the motion; seconded by Mr. Caniglia. The motion passed unanimously.

The next order of business before the Council was the Meeting Minutes from the August 26th meetings.

Mr. Varin asked for a motion to approve the minutes. Mr. Woods made the motion; seconded by Mr. Caniglia. Mr. Varin asked for comments or questions.

There being no further discussion, the motion was unanimously approved.

The next order of business before the Council was 2008 Recommendations for Membership.

Mr. Barros stated that there were four (4) businesses being recommended for 2008 membership. He stated that staff

recommended approval of all four (4) businesses as presented bring the year-to-date total to forty two (42) new member businesses for 2008.

Mr. Varin asked for a motion to approve the recommendations for 2008 membership. Mr. Woods made the motion; seconded by Mr. Caniglia. Mr. Varin asked for comments or questions.

There being no further discussion, the motion was unanimously approved.

The next order of business before the Council was 2007 Recommendations for Certification.

Mr. Barros stated that there were eight (8) businesses being presented and that the staff recommended approval of all eight (8) businesses bring the year-to-date total to one hundred and ten (110) businesses approved for 2007 tax certification.

Mr. Varin asked for a motion to approve the recommendations for 2007 certification. Mr. Caniglia made the motion; seconded by Mr. Wood. Mr. Varin asked for comments or questions.

Mr. Wood rescued himself from the vote because of a business relationship with Cayer Caccia, LLP.

There being no further discussion, the motion was approved.

**The next order of business before the Council was an update on the
Tax Incentive Disclosure Accountability**

Mr. Barros provided a general overview of information that appears on the Division of Taxations website related to the annual tax credit disclosure report for FY '08. The information showed the name of the business and the amount of tax credit claimed.

Mr. Wood asked if the information could be reorganized by zone. Mr. Barros stated that it could and would be, along with the addition of other pertinent information.

A general discussion continued about the value of the information contained in the annual tax credit disclosure report.

There being no other business to come before the Council, Mr. Varin asked for a motion to adjourn. Mr. Wood moved to adjourn. Mr. Caniglia seconded the motion. The motion was approved unanimously and the meeting was adjourned at 11:26 a.m.

Rhode Island Economic Development Corporation

Enterprise Zone Council

Minutes of Meeting of November 25, 2008

RIEDC: Narragansett Room

315 Iron Horse Way, Suite 101

Providence, RI 02908

In attendance:

COUNCIL AFFILIATION

B. Parsons RIEDC

D. Varin Vice Chairman

M. Wood League of Cities and Towns

OTHER AFFILIATION

V. Barros RIEDC

M. Godin Needs, Inc.

A. Crisman Mt. Hope Enterprise Zone

K. Cosentino City of Providence

W. Clark Town of Portsmouth

James Thomas Town of West Warwick

Elaine Mansour Town of West Warwick

Audrey D'Ambrosio Division of Taxation

Vice Chairman Varin called the meeting of the Enterprise Zone Council to order at approximately 10:05 AM and noted that there was a quorum present.

The first order of business before the Council was 2008 Recommendations for Membership.

Mr. Barros stated that there were three (3) businesses being recommended for 2008 membership. He stated that staff recommended approval of all three (3) businesses as presented bring the year-to-date total to forty five (45) new member businesses for 2008.

Mr. Varin asked for a motion to approve the recommendations for 2008 membership. Mr. Parsons made the motion; seconded by Mr. Wood. Mr. Varin asked for comments or questions.

There being no further discussion, the motion was unanimously approved.

The next order of business before the Council was 2007 Recommendations for Certification.

Mr. Barros stated that is one (1) businesses being presented and that staff recommended approval of this one business bring the year-to-date total to one hundred and ten (110) businesses approved for 2007 tax certification.

Mr. Varin asked for a motion to approve the recommendations for 2007 certification. Mr. Wood made the motion; seconded by Mr. Parsons. Mr. Varin asked for comments or questions.

There being no further discussion, the motion was unanimously approved.

The next order of business before the Council was the re-designation extension request by the town of West Warwick

Mr. Barros explained to the Council that the town of West Warwick was seeking an extension of its existing zone designation, as oppose to requesting a temporary renewal of the zone which was set to expire on December 31, 2008.

Mr. Barros added that the newly hired town a town planner, who was to be tasked with preparing the re-designation proposal, resigned after two weeks on the job. The lack of a town planner was one of the main factors contributing to the town's need to request the zone re-designation extension.

Mr. Barros stated that it was his understanding that if the extension was granted the town would seek to hire a consultant specifically tasked with preparing the zone re-designation proposal for the town.

Mr. Garrahy stated that according to the rules of procedure the Council has the authority waive zone re-designation requirements for maximum of one hundred and twenty days. Mr. Garrahy's thought were to waive some of the requirements, and then re-designate the zone for a limited period of time. If they do not meet the requirements,

the Council has the authority to revoke the designation.

Mr. Wood asked for clarification on requirements that would need to be waived in order to give the town additional time to complete a re-designation proposal.

Mr. Garrahy explained that the Council would need to waive the requirement that the town submit a re-designation proposal.

Mr. Wood made a motion to waive the requirement to submit a zone re-designation proposal for 120 day (through April 30, 2009); seconded by Mr. Wood. Mr. Varin asked for comments or questions.

Mr. Thomas arrived at the meeting and was introduced to the Council by Mr. Barros. He gave an overview of his first few months on the job as the town manager focusing on some of the challenges he has faced and how they have impacted his ability to prepare the zone re-designation proposal. He explained that he is committed to focusing more of the town's efforts on economic development as a whole and the enterprise zone in particular, and will submit an effective and detailed re-designation package to the Council, if granted the extension.

Mr. Varin asked if there was any further discussion of the motion on the table. There being no further discussion, the motion was unanimously approved.

Mr. Wood made a second motion to authorize the re-designation of the West Warwick Enterprise Zone for 120 day through April 30, 2009; seconded by Mr. Parson. Mr. Varin asked for comments or questions. There being no further discussion, the motion was unanimously approved.

Mr. Wood made a third motion to request the submittal of the zone re-designation proposal on or before the March 24, 2009 Enterprise Zone Council Meeting; seconded by Mr. Parson. Mr. Varin asked for comments or questions. There being no further discussion, the motion was unanimously approved.

The next order of business before the Council was other business to be discussed.

Mr. Varin asked Mr. Barros if there were any legislative initiatives on the table for 2009.

Mr. Barros stated that the scope and extent of any legislative initiatives will depend greatly on the findings of tax credit review being conducted by the Department of Revenue. The issue that surfaced recently regarding the way we gather wage information from companies can, and will be, addressed during the 2008 tax credit cycle. Businesses will be required to provide a breakdown of their wages: owner's wages separate from employee wages.

Mr. Wood, directing his comments to Mr. Thomas, stressed the importance of the town following the example set by the other zones represented in the room, like the Mt. Hope Enterprise Zone, where the program is embraced by the towns of Bristol and Warren and resource are provided to make it a useful economic development tool for the towns.

Mr. Clark asked if the issues related to the Council's flexibility and/or authority to make certification decision in cases where a company fails the wage test will be addressed in the coming legislative session.

Mr. Barros stated that those issues would be thoroughly examined and recommendations developed for Council consideration and action.

There being no other business to come before the Council, Mr. Varin asked for a motion to adjourn. Mr. Wood moved to adjourn. Mr. Parsons seconded the motion. The motion was approved unanimously and the meeting was adjourned at 10:45 a.m.